

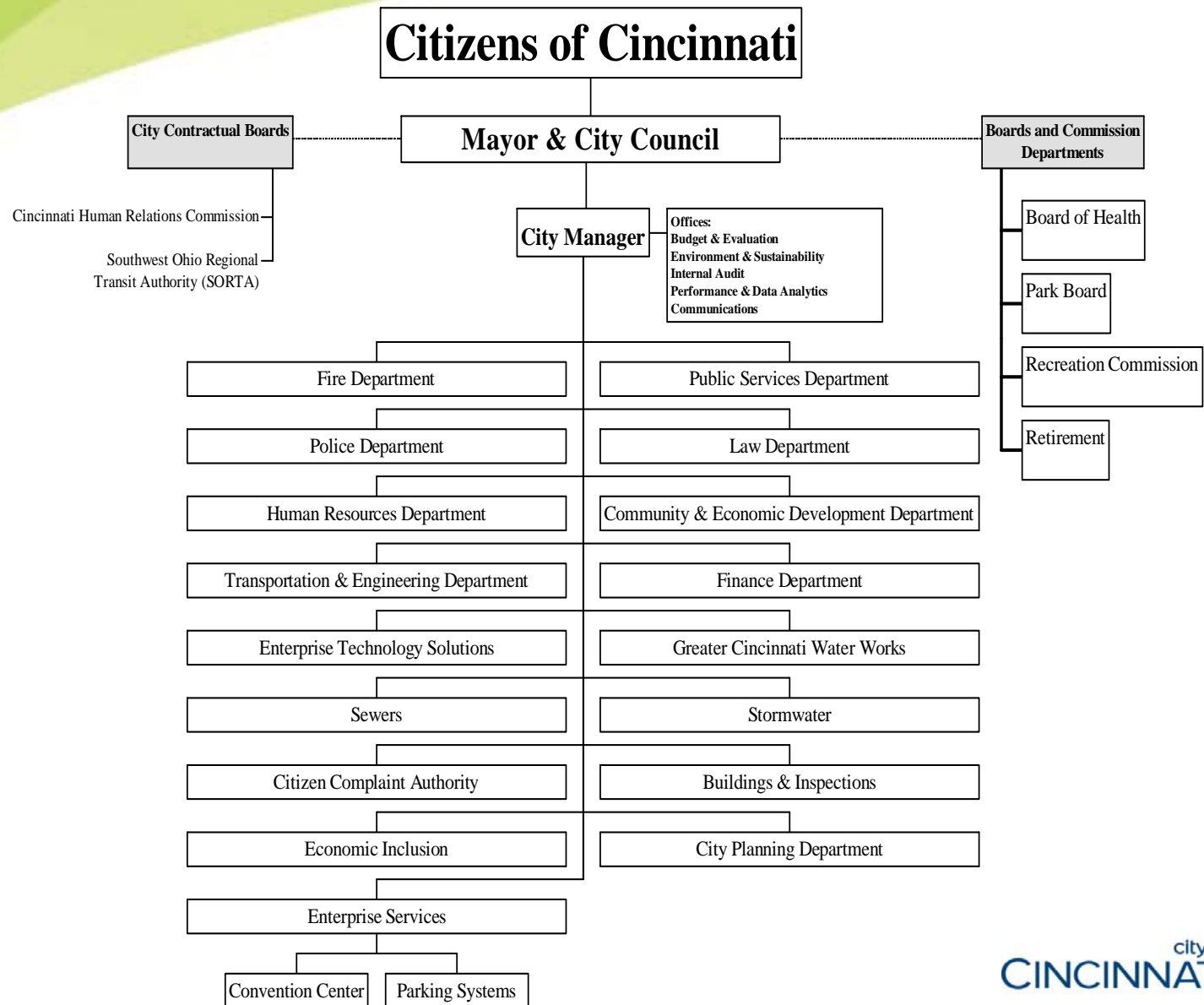


Budget Basics

Introductions

- Christopher Bigham, Budget Director
- Ann Marie Kerby, Senior City Planner
- Purpose of Meeting:
 - Educate you on the budget process
 - This is YOUR meeting – please ask questions!

Organizational Chart



Overall Budget Strategy

- **Pass a structurally balanced budget**
 - Revenues \geq Expenditures
- **Expand the tax base**
 - Economic Development & Neighborhood Investment are focal points
 - Recruit and retain jobs
- **Restructure delivery of services**
 - CincyStat Program created in FY16



Approved FY 2017 All Funds Budget

(\$ in Millions)	Approved FY 2016	Approved FY 2017 Update	<u>From Approved FY 2016</u>	
			\$ Change	% Change
Operating Budget				
General Fund	\$377.7	\$392.9	\$15.2	4.0%
Restricted Funds	\$659.2	\$730.1	\$70.9	10.8%
Subtotal Operating Budget	\$1,036.9	\$1,123.0	\$86.1	8.3%
Capital Budget				
General Capital Budget	\$77.6	\$90.6	\$13.0	16.8%
Restricted Funds Capital	\$335.6	\$357.0	\$21.4	6.4%
Special Revenue/Matching Capital	\$14.5	\$58.6	\$44.1	304.1%
Subtotal Capital Budget	\$427.7	\$506.2	\$78.5	18.4%
Total All Funds Budget	\$1,464.6	\$1,629.2	\$164.6	11.2%

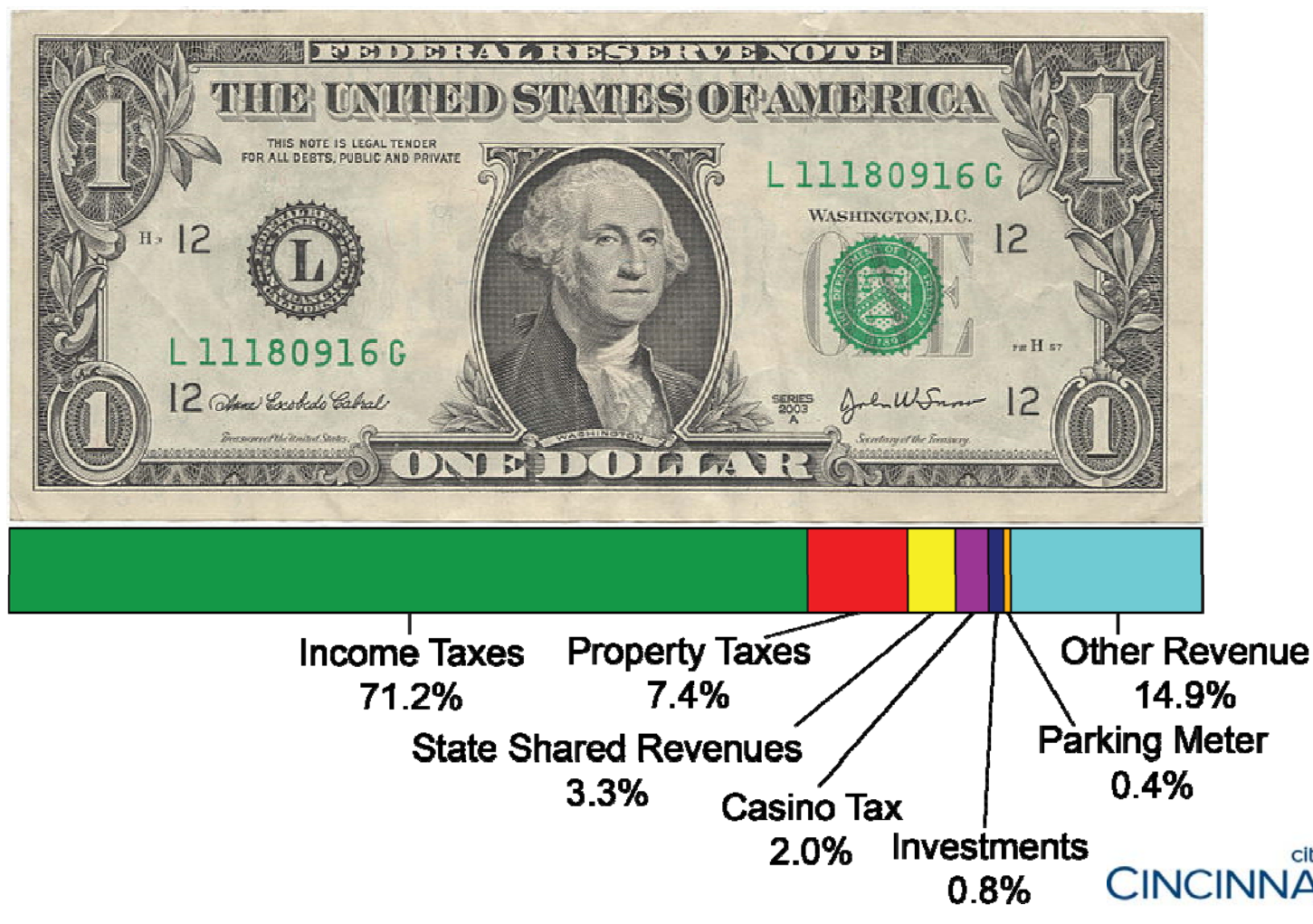
Estimated Revenues



- Finance Department estimates revenues for the next budget year to establish budgets for all funds
- Use UC economic forecasters to set income tax estimates
- Historical trends, current info, and changes to fees are used to forecast next year's revenue estimates

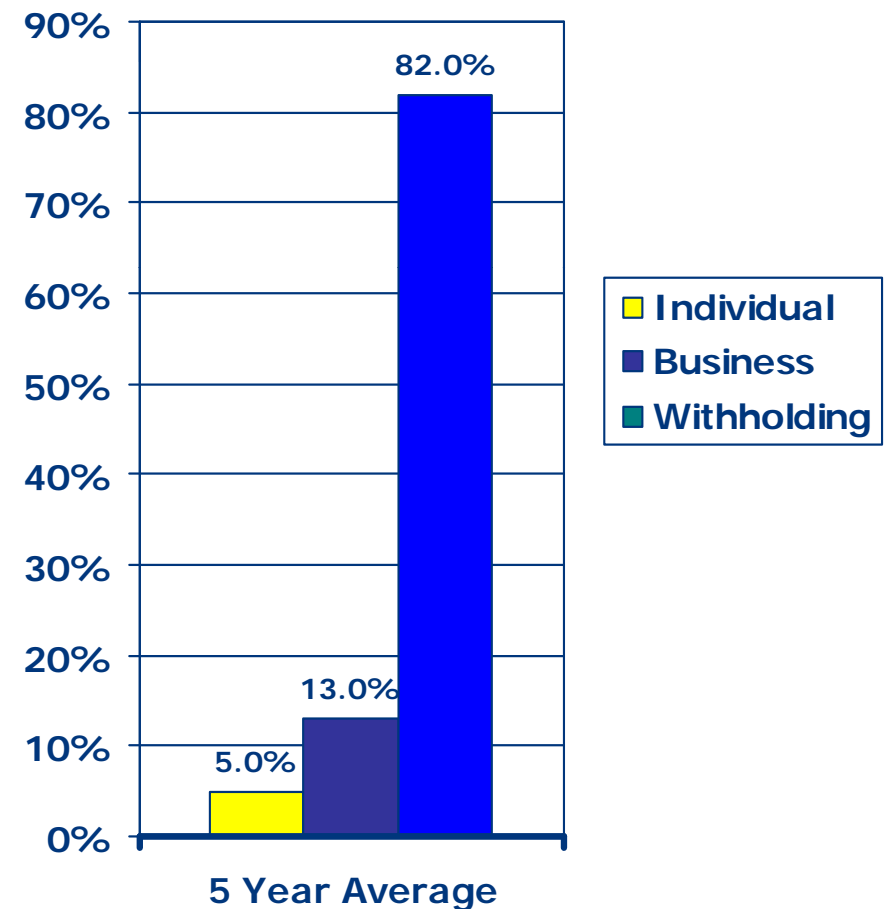
Operating Budget (General Fund Revenue = \$392.9 million)

So where does the money come from?



General Fund Revenue

- **Income Taxes = 71.2%**
 - 2.1% of gross salaries, wages, other personal services compensation and business net profits
 - All earnings derived in City regardless of residency. Rule is first where you work, then where you live
- **By Charter, split as follows:**
 - 1.55% General Operating
 - 0.30% Transit
 - 0.15% Capital
 - 0.10% Infrastructure
- **General Fund Income Tax: \$279.7 million**



Restricted Funds Revenue

- Not self supported (user fees do not pay for 100% cost) but restricted purpose
- General Fund may be used to supplement
- Revenues generated stay within the fund as mandated by State law
- Parks and recreation special activities funds, grant funds, health center funds



Restricted Funds Revenue

- Dedicated to a specific purpose by State Law or City Charter
- Income Tax Distribution
 - Transit
 - Income Tax – Infrastructure
- Revenues generated stay within the fund as maintained by State law
- Street construction & maintenance fund, Motor Cycle Tax, etc.

Enterprise Fund Revenue



- Operates like a business, user fees support 100% of operation
- No tax dollars associated with operation
- Revenues generated stay within the fund as mandated by State law
- Water Works, Sewers, Park Facilities, Convention Center, Golf Courses and Lunken Airport

OPERATING BUDGET

General Fund Expenditures – \$392.9 million

Where does the money go? By Department

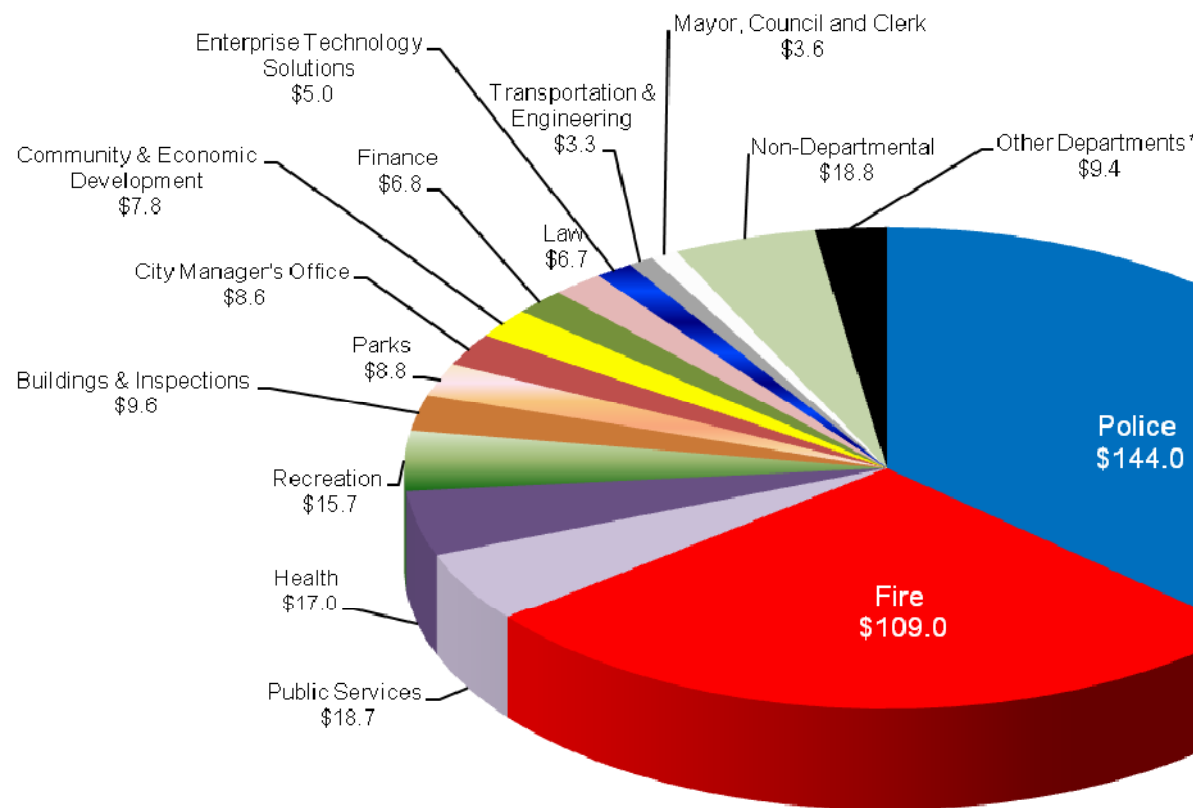
Department	FY17 Budget	%
Police	\$ 143,979,710	36.6%
Fire	\$ 109,025,750	27.7%
Public Services	\$ 18,701,160	4.8%
Health	\$ 17,031,210	4.3%
Recreation	\$ 15,686,890	4.0%
Buildings & Inspections	\$ 9,629,790	2.5%
Parks	\$ 8,775,910	2.2%
City Manager's Office	\$ 8,561,380	2.2%
Community & Economic Development	\$ 7,802,590	2.0%
Finance	\$ 6,771,110	1.7%
Law	\$ 6,743,540	1.7%
Enterprise Technology Solutions	\$ 5,004,780	1.3%
Transportation & Engineering	\$ 3,322,100	0.8%
Mayor, Council and Clerk	\$ 3,638,000	0.9%
Non-Departmental	\$ 18,775,360	4.8%
Other Departments*	\$ 9,437,220	2.4%
Total FY 2017 General Fund Budget	392,886,500	100.0%

12 *Other Departments includes: City Planning, Citizen Complaint Authority, Economic Inclusion, Human Resources and Transfers Out.

OPERATING BUDGET

General Fund Expenditures – \$392.9 million

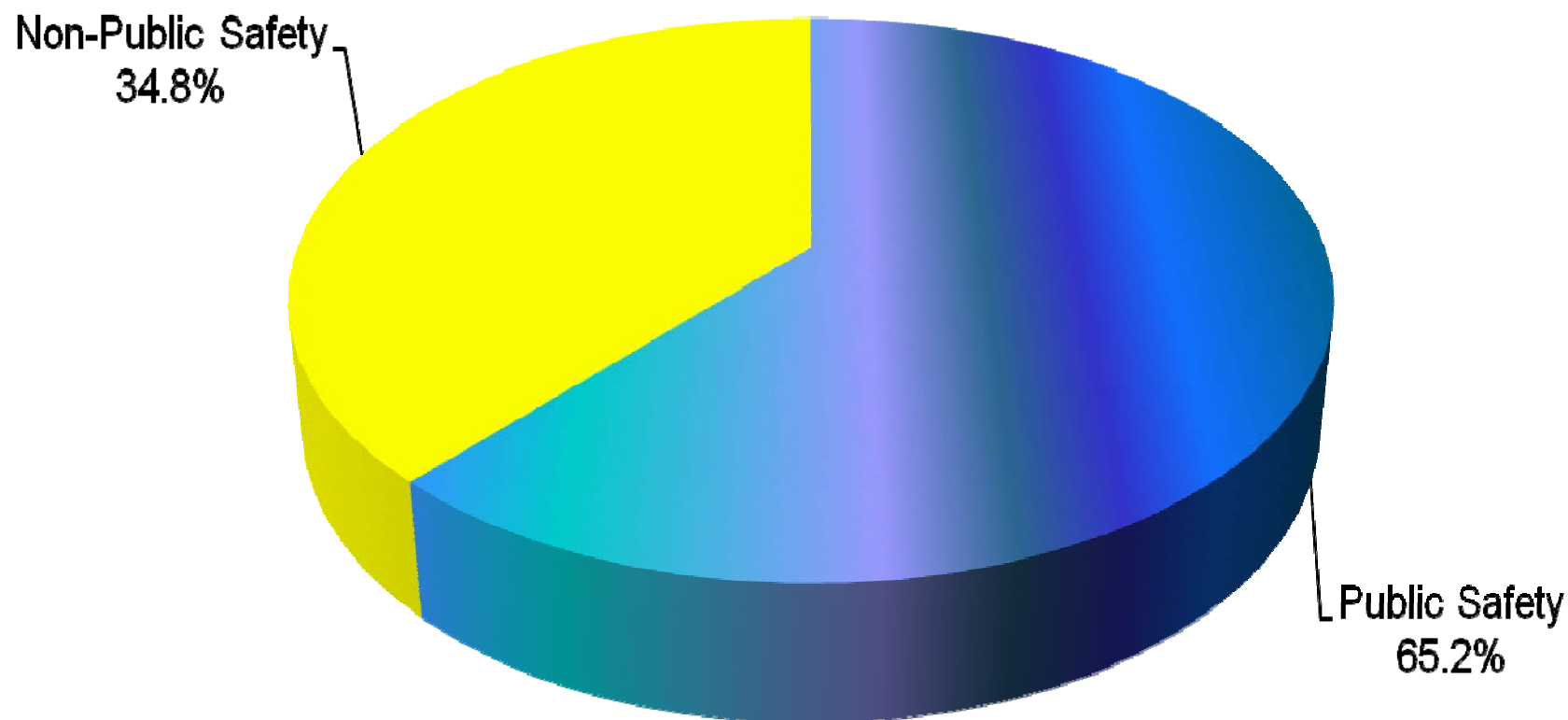
Where does the money go?
By Department (\$ in millions)



*Other Departments includes: City Planning, Citizen Complaint Authority, Economic Inclusion, Human Resources and Transfers Out.

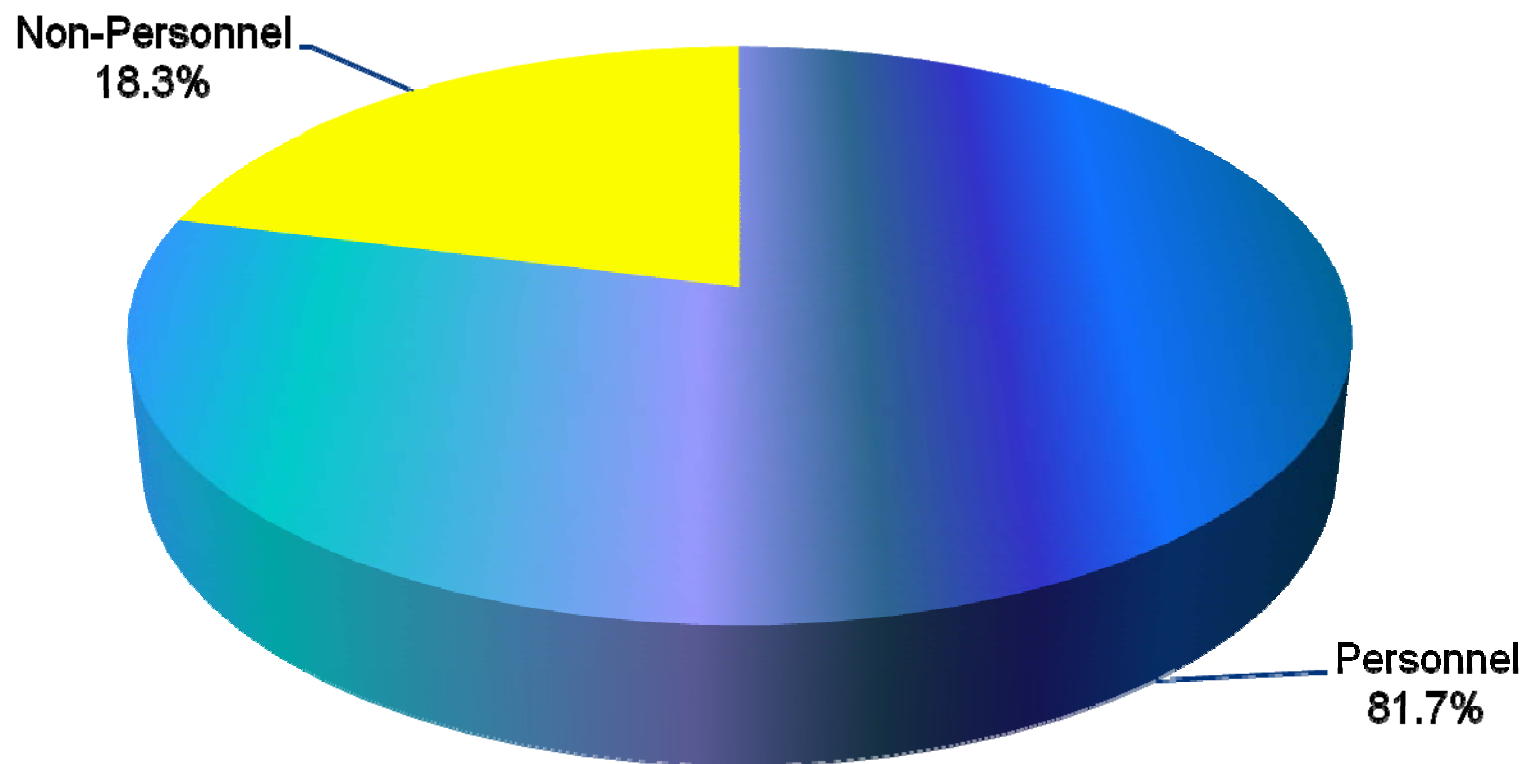
Operating Budget (General Fund Expenditures = \$392.9 million)

***So where does the money go
(Public Safety v. Non-Public Safety)?***



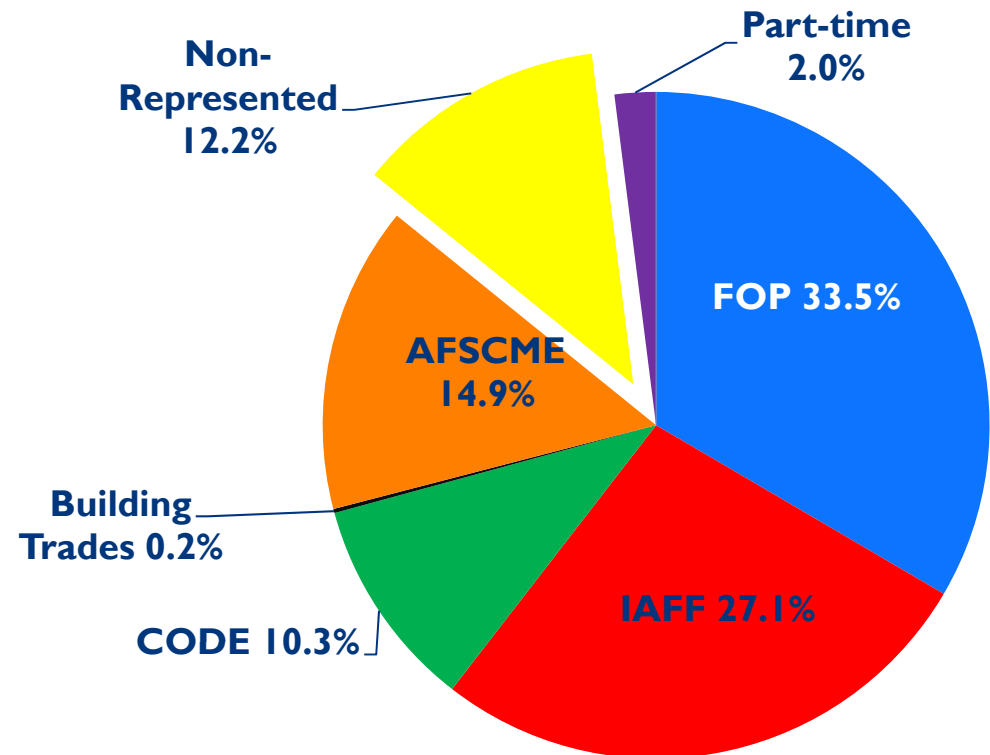
Operating Budget (General Fund Expenditures = \$392.9 million)

***So where does the money go
(Personnel vs. Non-Personnel)?***

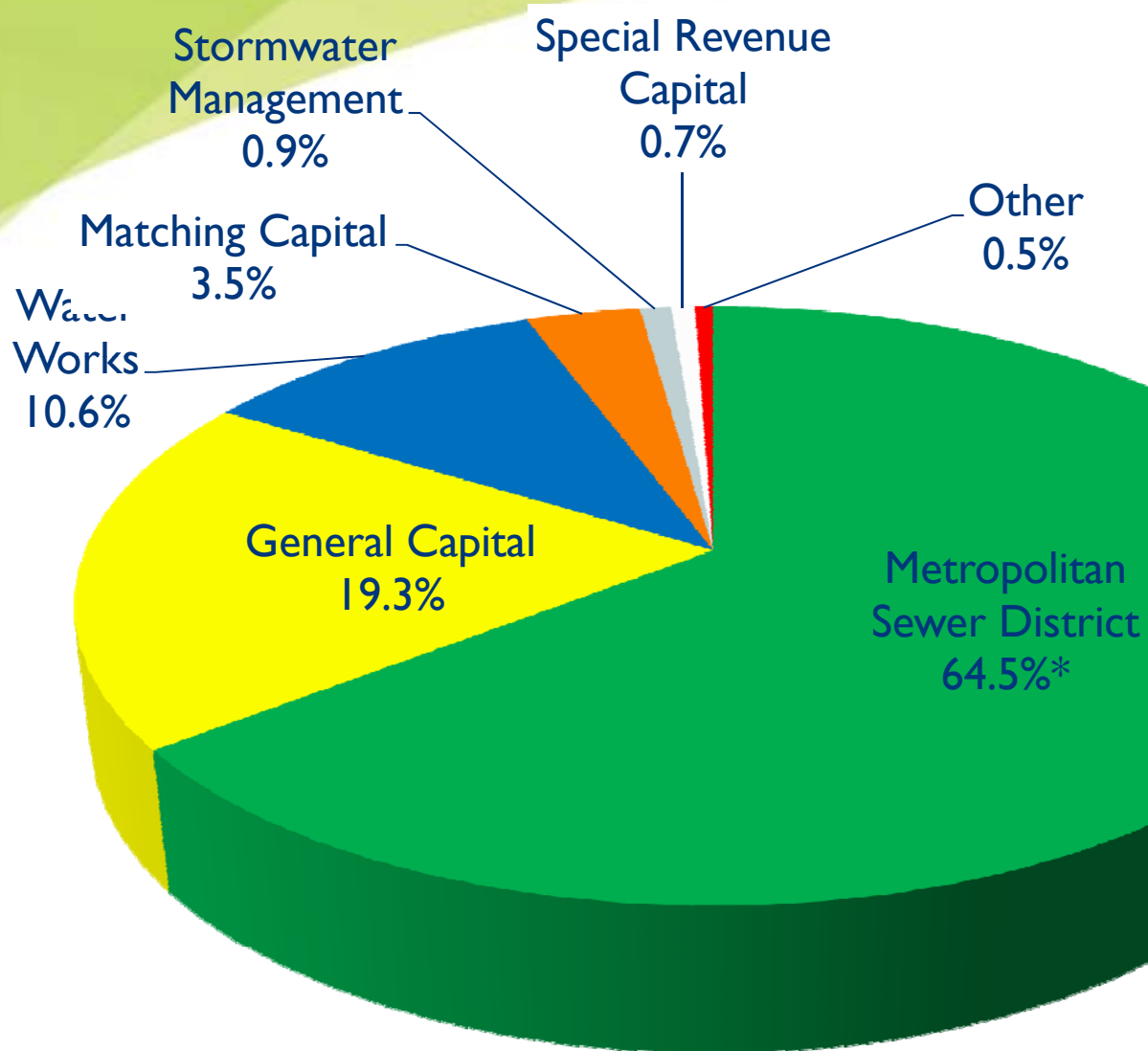


Operating Budget (General Fund Expenditures = \$392.9 million)

- Personnel expenses represent 81.7% of the General Fund Budget
- 87.8% of those employees are represented by labor contracts



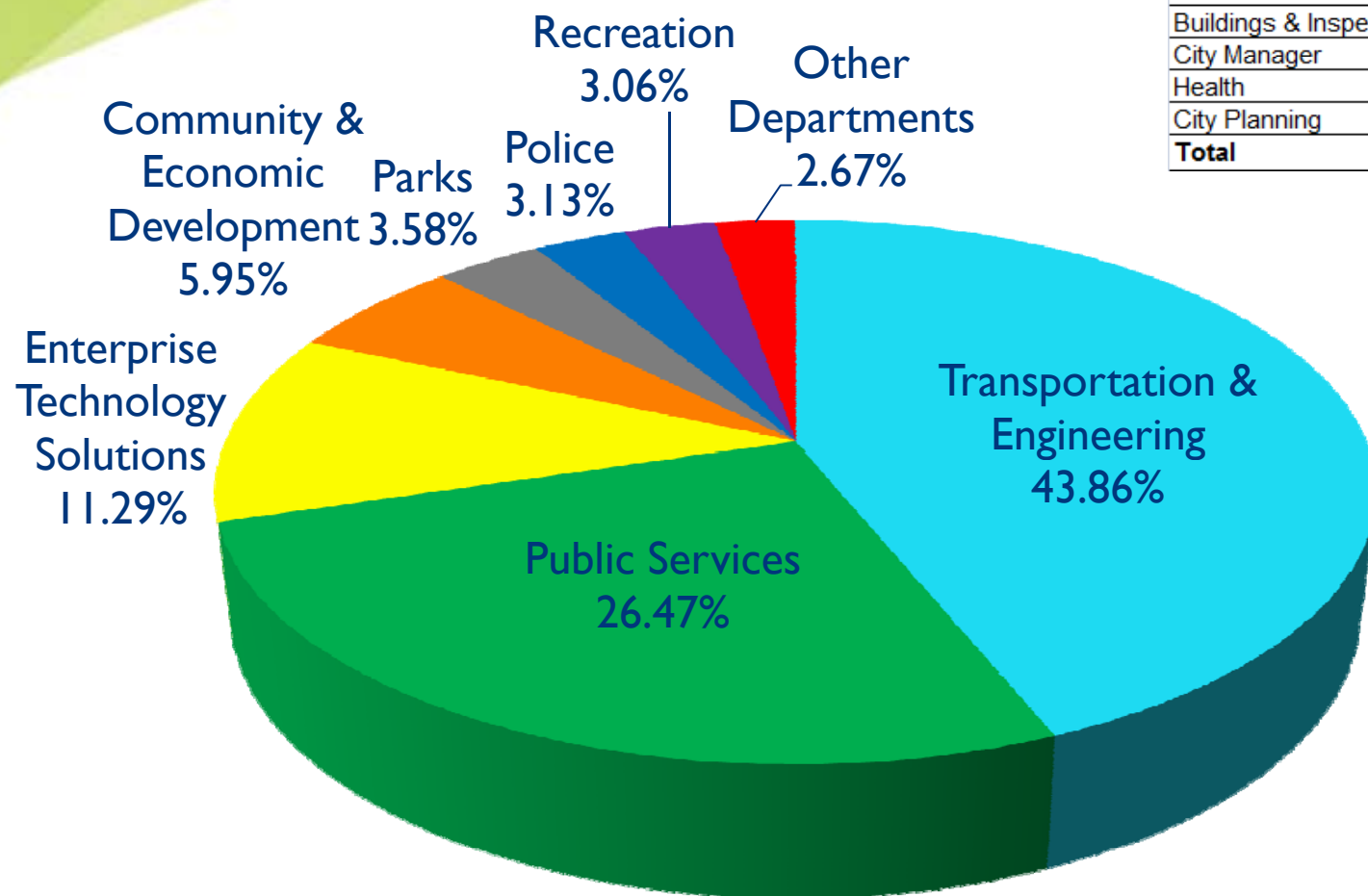
All Funds Capital Budget



Other Capital Projects	
Convention Center	\$ 1,030,000
Parking Facilities	\$ 730,000
General Aviation	\$ 656,400
Income Tax Transit	\$ 100,000
Telecommunications	\$ 30,000
Total	\$ 2,546,400

*Budget Approved by Hamilton County

General Capital Budget



Other Departments	
Fire	\$ 864,000
Buildings & Inspections	\$ 775,300
City Manager	\$ 533,200
Health	\$ 161,200
City Planning	\$ 65,400
Total	\$ 2,399,100

New Line Items in Budget

- **Streetcar Operations** – a new fund was created for revenue and expenditures (no general fund dollars used)
- **Police Body Camera System (8/1/16)** – budget includes funding for body cameras for 700 officers and to be implemented over the next 5 months. Also includes support staff and IT infrastructure.
- **Capital Acceleration Plan (continuation)** - Year two of the CAP to replace out of life cycle vehicles and pave additional lane miles
- **Mayor proposed and Council Approved Neighborhood Projects** – Blue Ash Airport sale proceeds and Southern Railway tax credits funded \$37 million in projects in FY 17



Neighborhood Line Items (FY 2017)

Operating Budget:

- Neighborhood Support Program = \$6,800 per neighborhood (52)
- Neighborhood Business Districts = \$4,600 per business district (33)
- Engage Cincinnati Challenge Grants = \$50,000
- Youth Employment = \$250,000 additional General Fund (totals over \$1 million all funds)
- Human Services Funding (administered by United Way) = \$3.34 million



Types of Public Input on the Budget

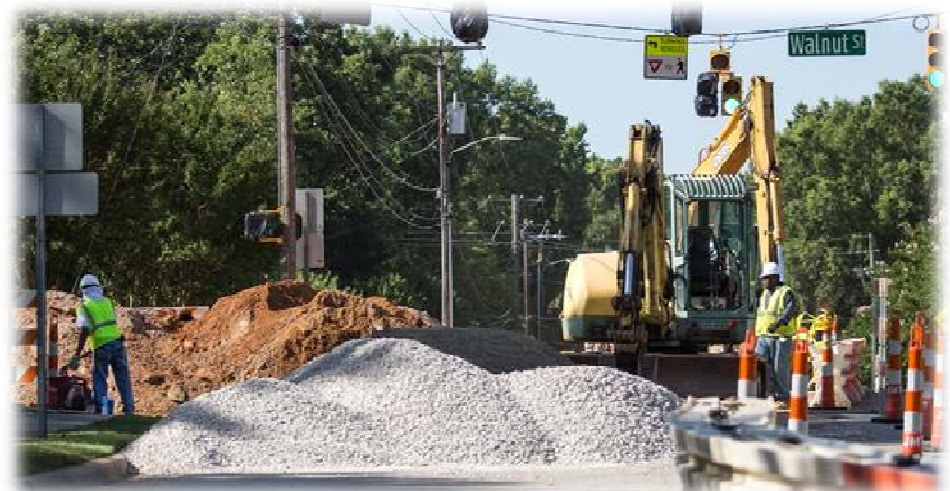
- City receives budget feedback by various community/citizen input
- Ongoing communication includes the 591-6000 help line and the Fix it Cincy app
 - Info collected and analyzed with the Office of Performance and Data Analytics – determines short and long term budget priorities
 - Use app to document items like potholes, tall grass, litter, etc.
- More formal citizen input includes CBR's, public input forums, council/committee meetings

Community Budget Request (CBR) Process:

- City obtains project requests from each Community Council for the upcoming budget (every two years)
- Up to 3 project requests per neighborhood – most requests would be considered capital requests
- **September 23rd, 2016:** Deadline for neighborhoods to submit their project requests for FY 2018-2019
- Those projects are reviewed by the appropriate department(s) who then make funding recommendations

CBR Eligible Projects

- Community gateways
- Park renovations
- Increased lighting for safety & crime prevention
- Comprehensive land use, zoning, and/or traffic studies
- Parking solutions
- Projects to implement neighborhood plans



FY 2018-2019 Biennial Budget Process Starts Now!

- **CBR** process kicked off in May and project requests are due September 23rd
- **Neighborhood Project Suggestions**
- **Budget webpage** launched
- **Budget Survey** available until September 14
- **3 Budget Basics** sessions to be held in August and September
- **3 Public Input Forums** to be held in October and November
- **Budget Basics Video** (in progress)
- **GOAL:** Prepare a report to the City Manager, Mayor, and Council with citizen feedback as the budget officially begins in January

QUESTIONS? COMMENTS?

Please visit our website:

<http://www.cincinnati-oh.gov/finance/cincinnati-budget-engagement/>